SENATE BILL REPORT

SB 6284

As Reported By Senate Committee On: Education, January 27, 1998

Title: An act relating to mandatory titles in school excess-levy titles.

Brief Description: Prescribing mandatory titles in school excess-levy titles.

Sponsors: Senators Hochstatter, Zarelli, Sellar, Swecker, Johnson and Stevens.

Brief History:

Committee Activity: Education: 1/16/98, 1/27/98 [DPS, DNPS].

SENATE COMMITTEE ON EDUCATION

Majority Report: That Substitute Senate Bill No. 6284 be substituted therefor, and the substitute bill do pass.

Signed by Senators Hochstatter, Chair; Finkbeiner, Vice Chair; Johnson and Zarelli.

Minority Report: Do not pass substitute.

Signed by Senators Goings, McAuliffe and Rasmussen.

Staff: William Bridges (786-7424)

Background: The Washington State Constitution limits the annual combined property tax rate to 1 percent of a parcel's assessed value. But when 60 percent of a school district's voters approve, a district may levy taxes in excess— of the constitutional limit for the support— or capital construction of schools. Excess levies are also authorized by statute for the maintenance and operation— or capital construction of schools.

At least one school district in King County has drafted ballot titles that do not use the words excess— or maintenance and operation.— For example, one title uses the words addition to regular tax levies.— Another title uses the words educational program and operation.— The King County Superior Court recently rejected a challenge to the ballot titles and ordered that the titles be certified for the February 3, 1998, special election.

Summary of Substitute Bill: School districts that seek excess levies must use the words excess levy— or levy in excess— in ballot titles. Furthermore, school districts seeking excess levies for the maintenance and operation support of the district must also use the words maintenance and operation— in ballot titles.

Substitute Bill Compared to Original Bill: The substitute clarifies that maintenance and operation ballot titles shall use the words "maintenance and operation."

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Testimony For: First, the word excess— has been used for 20 years and is clear and concise. Excess— informs the voters that they are voting for a levy that is above the 1 percent limit. The word additional,— on the other hand, can be read to mean the proposed tax is within the 1 percent limit. Second, allowing the Seattle School District to avoid the word excess— would set a bad precedent. Third, the word "excess" is necessary to trigger senior-citizen tax exemptions and deferrals. Fourth, the words maintenance and operation—have also been used for a number of years without complaint. Finally, by substituting the words educational program— for maintenance,— a school district may mislead voters into thinking the levy funds will go for earmarked programs rather than into the district's general fund.

Testimony Against: First, "additional" is more accurate because "excess" has a negative connotation; it denotes over indulgence.— Second, the 1 percent limit applies to the aggregate amount of property taxes. But districts don't really know the aggregate amount of taxes; therefore, an "excess" levy may not really be "excess." Third, the King County prosecutor and a King County Judge agree that the state Constitution does not require the words excess— or maintenance and operation.— Fourth, other districts have used the disputed language without complaint. Fifth, requiring the disputed language will increase levy failures. Sixth, maintenance and operation—incorrectly suggests basic education.— Finally, local school districts should be allowed to choose their own levy language.

Testified: Fred Bucke, citizen (pro); George Fleming, Seattle Public Schools (con); Mark Green, Seattle Public Schools (con); Pat Griffith, citizen (con); Linda Jordan, People for Ethical Government (pro); George Scarola, levy campaign volunteer (con); Dwayne Slate, Washington State School Directors' Association (con).